

(f) Exception for certain regulated investment companies

This section shall not apply to any regulated investment company for any calendar year if at all times during such calendar year each shareholder in such company was either—

- (1) a trust described in section 401(a) and exempt from tax under section 501(a), or
- (2) a segregated asset account of a life insurance company held in connection with variable contracts (as defined in section 817(d)).

For purposes of the preceding sentence, any shares attributable to an investment in the regulated investment company (not exceeding \$250,000) made in connection with the organization of such company shall not be taken into account.

(Added Pub. L. 99-514, title VI, §651(a), Oct. 22, 1986, 100 Stat. 2294; amended Pub. L. 100-203, title X, §10104(b)(1), Dec. 22, 1987, 101 Stat. 1330-387; Pub. L. 100-647, title I, §1006(l)(2), (5), (6), Nov. 10, 1988, 102 Stat. 3413, 3414; Pub. L. 101-239, title VII, §7204(a)(1), Dec. 19, 1989, 103 Stat. 2334.)

AMENDMENTS

1989—Subsec. (b)(1)(A). Pub. L. 101-239 substituted “98 percent” for “97 percent”.

1988—Subsec. (e)(2). Pub. L. 100-647, §1006(l)(2), amended par. (2) generally. Prior to amendment, par. (2) read as follows: “The term ‘capital gain net income’ has the meaning given to such term by section 1222(9) (determined by treating the 1-year period ending on October 31 of any calendar year as the company’s taxable year).”

Subsec. (e)(5). Pub. L. 100-647, §1006(l)(5), added par. (5).

Subsec. (f). Pub. L. 100-647, §1006(l)(6), added subsec. (f).

1987—Subsec. (b)(1)(B). Pub. L. 100-203 substituted “98 percent” for “90 percent”.

EFFECTIVE DATE OF 1989 AMENDMENT

Section 7204(a)(2) of Pub. L. 101-239 provided that: “The amendment made by paragraph (1) [amending this section] shall apply to calendar years ending after July 10, 1989.”

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100-647 effective, except as otherwise provided, as if included in the provision of the Tax Reform Act of 1986, Pub. L. 99-514, to which such amendment relates, see section 1019(a) of Pub. L. 100-647, set out as a note under section 1 of this title.

EFFECTIVE DATE OF 1987 AMENDMENT

Section 10104(b)(2) of Pub. L. 100-203 provided that: “The amendment made by paragraph (1) [amending this section] shall take effect as if included in the amendments made by section 651 of the Tax Reform Act of 1986 [section 651 of Pub. L. 99-514, see Effective Date note below].”

EFFECTIVE DATE

Section 651(d) of Pub. L. 99-514 provided that: “The amendments made by this section [enacting this section and amending sections 852 and 855 of this title] shall apply to calendar years beginning after December 31, 1986.”

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 852 of this title.

[CHAPTER 45—REPEALED]**[§§ 4986 to 4990. Repealed. Pub. L. 100-418, title I, § 1941(a), Aug. 23, 1988, 102 Stat. 1322]**

Section 4986, added Pub. L. 96-223, title I, §101(a)(1), Apr. 2, 1980, 94 Stat. 230, related to imposition of windfall profit tax on domestic crude oil.

Section 4987, added Pub. L. 96-223, title I, §101(a)(1), Apr. 2, 1980, 94 Stat. 230; amended Pub. L. 97-34, title VI, §602(a), Aug. 13, 1981, 95 Stat. 337; Pub. L. 98-369, div. A, title I, §25(a), July 18, 1984, 98 Stat. 506, related to amount of windfall profit tax on domestic crude oil.

Section 4988, added Pub. L. 96-223, title I, §101(a)(1), Apr. 2, 1980, 94 Stat. 231; amended Pub. L. 97-448, title II, §201(a), (h)(1)(D), Jan. 12, 1983, 96 Stat. 2391, 2394; Pub. L. 99-514, title XIII, §1301(j)(4), Oct. 22, 1986, 100 Stat. 2657, related to windfall profit and removal price.

Section 4989, added Pub. L. 96-223, title I, §101(a)(1), Apr. 2, 1980, 94 Stat. 233; amended Pub. L. 97-448, title II, §201(b), Jan. 12, 1983, 96 Stat. 2392, related to adjusted base price for purposes of windfall profit tax on domestic crude oil.

Section 4990, added Pub. L. 96-223, title I, §101(a)(1), Apr. 2, 1980, 94 Stat. 234, related to phaseout of windfall profit tax on domestic crude oil.

EFFECTIVE DATE OF REPEAL

Repeal applicable to crude oil removed from the premises on or after Aug. 23, 1988, see section 1941(c) of Pub. L. 100-418, set out as an Effective Date of 1988 Amendment note under section 164 of this title.

ALLOCATION OF NET REVENUES FROM WINDFALL PROFIT TAX TO CERTAIN USES

Pub. L. 96-223, title I, §102, Apr. 2, 1980, 94 Stat. 255, provided for Windfall Profit Tax Account in Treasury, specified uses for amounts in that Account, defined “net revenues”, required President to propose allocation of net revenues, and required Secretary of the Treasury to make reports to Congress.

[§§ 4991 to 4994. Repealed. Pub. L. 100-418, title I, § 1941(a), Aug. 23, 1988, 102 Stat. 1322]

Section 4991, added Pub. L. 96-223, title I, §101(a)(1), Apr. 2, 1980, 94 Stat. 235; amended Pub. L. 97-34, title VI, §§601(b)(1), 603(a), Aug. 13, 1981, 95 Stat. 336, 338; Pub. L. 97-448, title II, §201(c), Jan. 12, 1983, 96 Stat. 2392; Pub. L. 99-514, title XVIII, §1879(h)(1), Oct. 22, 1986, 100 Stat. 2907, related to taxable crude oil and categories of oil.

Section 4992, added Pub. L. 96-223, title I, §101(a)(1), Apr. 2, 1980, 94 Stat. 236; amended Pub. L. 97-34, title VI, §603(c), Aug. 13, 1981, 95 Stat. 338; Pub. L. 97-354, §3(b)(2), Oct. 19, 1982, 96 Stat. 1688; Pub. L. 97-448, title II, §201(d), Jan. 12, 1983, 96 Stat. 2392, related to independent producer oil.

Section 4993, added Pub. L. 96-223, title I, §101(a)(1), Apr. 2, 1980, 94 Stat. 239; amended Pub. L. 97-448, title II, §201(e), Jan. 12, 1983, 96 Stat. 2392, related to incremental tertiary oil.

Section 4994, added Pub. L. 96-223, title I, §101(a)(1), Apr. 2, 1980, 94 Stat. 241; amended Pub. L. 97-34, title VI, §§601(b)(2), 603(b), 604(a)-(c), Aug. 13, 1981, 95 Stat. 337-339; Pub. L. 97-248, title II, §291, Sept. 3, 1982, 96 Stat. 572; Pub. L. 97-448, title I, §106(a)(2), (4)(B), (b), title II, §201(f), Jan. 12, 1983, 96 Stat. 2388, 2390, 2392, related to definitions and special rules with respect to exempt oil.

EFFECTIVE DATE OF REPEAL

Repeal applicable to crude oil removed from the premises on or after Aug. 23, 1988, see section 1941(c) of Pub. L. 100-418, set out as an Effective Date of 1988 Amendment note under section 164 of this title.

[§§ 4995 to 4998. Repealed. Pub. L. 100-418, title I, § 1941(a), Aug. 23, 1988, 102 Stat. 1322]

Section 4995, added Pub. L. 96-223, title I, §101(a)(1), Apr. 2, 1980, 94 Stat. 244; amended Pub. L. 97-34, title VI,

§ 601(b)(3), Aug. 13, 1981, 95 Stat. 337; Pub. L. 97-448, title II, § 201(g), Jan. 12, 1983, 96 Stat. 2393, related to withholding and depository requirements bearing on the windfall profit tax.

Section 4996, added Pub. L. 96-223, title I, § 101(a)(1), Apr. 2, 1980, 94 Stat. 247; amended Pub. L. 97-248, title II, § 284(a), Sept. 3, 1982, 96 Stat. 569; Pub. L. 97-354, § 3(b)(1), Oct. 19, 1982, 96 Stat. 1688; Pub. L. 97-448, title II, § 201(h)(1)(A)–(C), (2), Jan. 12, 1983, 96 Stat. 2393-2395, provided for other definitions and special rules bearing on the windfall profit tax.

Section 4997, added Pub. L. 96-223, title I, § 101(a)(1), Apr. 2, 1980, 94 Stat. 249; amended Pub. L. 97-448, title II, § 201(i)(1), Jan. 12, 1983, 96 Stat. 2395, related to records and information, and regulations, bearing on the windfall profit.

Section 4998, added Pub. L. 96-223, title I, § 101(a)(1), Apr. 2, 1980, 94 Stat. 250, related to cross references.

EFFECTIVE DATE OF REPEAL

Repeal applicable to crude oil removed from the premises on or after Aug. 23, 1988, see section 1941(c) of Pub. L. 100-418, set out as an Effective Date of 1988 Amendment note under section 164 of this title.

AMENDMENTS RELATED TO CRUDE OIL WINDFALL PROFIT TAX ACT OF 1980

Pub. L. 100-647, title VI, § 6254, Nov. 10, 1988, 102 Stat. 3753, repealed the reporting requirements of section 4997 of former chapter 45 of this title and the related regulations thereunder, effective only for crude oil removed after December 31, 1987, for which no tax is due or withheld under former chapter 45.

CHAPTER 46—GOLDEN PARACHUTE PAYMENTS

Sec.
4999. Golden parachute payments.

CHAPTER REFERRED TO IN OTHER SECTIONS

This chapter is referred to in section 275 of this title.

§ 4999. Golden parachute payments

(a) Imposition of tax

There is hereby imposed on any person who receives an excess parachute payment a tax equal to 20 percent of the amount of such payment.

(b) Excess parachute payment defined

For purposes of this section, the term “excess parachute payment” has the meaning given to such term by section 280G(b).

(c) Administrative provisions

(1) Withholding

In the case of any excess parachute payment which is wages (within the meaning of section 3401) the amount deducted and withheld under section 3402 shall be increased by the amount of the tax imposed by this section on such payment.

(2) Other administrative provisions

For purposes of subtitle F, any tax imposed by this section shall be treated as a tax imposed by subtitle A.

(Added Pub. L. 98-369, div. A, title I, § 67(b)(1), July 18, 1984, 98 Stat. 587.)

EFFECTIVE DATE

Section applicable to payments under agreements entered into or renewed after June 14, 1984, in taxable years ending after such date, with contracts entered into before June 15, 1984, which are amended after June

14, 1984, in any significant relevant aspect to be treated as a contract entered into after June 14, 1984, see section 67(e) of Pub. L. 98-369, set out as a note under section 280G of this title.

CHAPTER 47—CERTAIN GROUP HEALTH PLANS

Sec.
5000. Certain group health plans.

AMENDMENTS

1989—Pub. L. 101-239, title VI, § 6202(b)(4)(A), Dec. 19, 1989, 103 Stat. 2233, struck out “LARGE” after “CERTAIN” in chapter heading and “large” after “Certain” in item 5000.

§ 5000. Certain group health plans

(a) Imposition of tax

There is hereby imposed on any employer (including a self-employed person) or employee organization that contributes to a nonconforming group health plan a tax equal to 25 percent of the employer’s or employee organization’s expenses incurred during the calendar year for each group health plan to which the employer or employee organization contributes.

(b) Group health plan and large group health plan

For purposes of this section—

(1) Group health plan

The term “group health plan” means a plan (including a self-insured plan) of, or contributed to by, an employer (including a self-employed person) or employee organization to provide health care (directly or otherwise) to the employees, former employees, the employer, others associated or formerly associated with the employer in a business relationship, or their families.

(2) Large group health plan

The term “large group health plan” means a plan of, or contributed to by, an employer or employee organization (including a self-insured plan) to provide health care (directly or otherwise) to the employees, former employees, the employer, others associated or formerly associated with the employer in a business relationship, or their families, that covers employees of at least one employer that normally employed at least 100 employees on a typical business day during the previous calendar year. For purposes of the preceding sentence—

(A) all employers treated as a single employer under subsection (a) or (b) of section 52 shall be treated as a single employer,

(B) all employees of the members of an affiliated service group (as defined in section 414(m)) shall be treated as employed by a single employer, and

(C) leased employees (as defined in section 414(n)(2)) shall be treated as employees of the person for whom they perform services to the extent they are so treated under section 414(n).

(c) Nonconforming group health plan

For purposes of this section, the term “nonconforming group health plan” means a group